



BILLING CODE (3410-XY-U)

DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Notice of Solicitation of Applications for the Rural Energy for America Program for Fiscal Year 2020

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Business-Cooperative Service (the Agency) Notice of Solicitation of Applications (Notice) is being issued prior to passage of a final appropriations act to allow potential applicants time to submit applications for financial assistance under Rural Energy for America Program (REAP) for Federal Fiscal Year (FY) 2020 and give the Agency time to process applications within the current FY. This Notice is being issued prior to enactment of full year appropriation for FY 2020. The Agency will publish the amount of funding received in any continuing resolution or the final appropriations act on its Web site at <https://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas>. Expenses incurred in developing applications will be at the applicant's risk.

The REAP has two types of funding assistance: 1) Renewable Energy Systems and Energy Efficiency Improvements Assistance and 2) Energy Audit and Renewable Energy Development Assistance Grants.

The Renewable Energy Systems and Energy Efficiency Improvement Assistance provides grants and guaranteed loans to agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements to their operations. Eligible renewable energy systems for REAP provide energy from: wind, solar, renewable biomass (including anaerobic digesters), small hydro-electric, ocean, geothermal, or hydrogen derived from these renewable resources.

The Energy Audit and Renewable Energy Development Assistance Grant is available to a unit of State, Tribal, or local government; instrumentality of a State, Tribal, or local government; institution of higher education; rural electric cooperative; a public power entity; or a council, as defined in 16 U.S.C. 3451. The recipient of grant funds, grantee, will establish a program to assist agricultural producers and rural small businesses with evaluating the energy efficiency and the potential to incorporate renewable energy technologies into their operations.

DATES: See under “**Supplementary Information**” section.

FOR FURTHER INFORMATION CONTACT: The applicable USDA Rural Development Energy Coordinator for your respective State, as identified via the following link:

https://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

For information about this Notice, please contact Anthony Crooks, Rural Energy Policy Specialist, USDA Rural Development, Energy Division, 1400 Independence Avenue SW., Stop 3225, Room 6870, Washington, DC, 20250. Telephone: (202) 205-9322. E-mail: anthony.crooks@usda.gov.

SUPPLEMENATARY INFORMATION:

Preface

The Agency encourages applications that will support recommendations made in the Rural Prosperity Task Force report to help improve life in rural America (www.usda.gov/ruralprosperity). Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships, and innovation. Key strategies include:

- Achieving e-Connectivity for Rural America

- Developing the Rural Economy
- Harnessing Technological Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

I. Program Description

The Rural Energy for America Program (REAP) helps agricultural producers and rural small businesses reduce energy costs and consumption and helps meet the Nation's critical energy needs. REAP has two types of funding assistance: 1) Renewable Energy Systems and Energy Efficiency Improvements Assistance and 2) Energy Audit and Renewable Energy Development Assistance Grants.

The Renewable Energy Systems and Energy Efficiency Improvements Assistance provides grants and guaranteed loans to agricultural producers and rural small businesses for renewable energy systems and energy efficiency improvements. Eligible renewable energy systems for REAP provide energy from: wind, solar, renewable biomass (including anaerobic digesters), small hydro-electric, ocean, geothermal, or hydrogen derived from these renewable resources.

The Energy Audit and Renewable Energy Development Assistance Grant is available to a unit of State, Tribal, or

local government; instrumentality of a State, Tribal, or local government; institution of higher education; rural electric cooperative; a public power entity; or a council, as defined in 16 U.S.C. 3451. The recipient of grant funds, grantee, will establish a program to assist agricultural producers and rural small businesses with evaluating the energy efficiency and the potential to incorporate renewable energy technologies into their operations.

A. *General.* Applications for REAP can be submitted any time throughout the year. This Notice announces the deadlines, dates and times that applications must be received in order to be considered for REAP funds provided by the Agricultural Improvement Act of 2018 (P.L. 115-334), (2018 Farm Bill), and any appropriated funds that REAP may receive from the appropriation for FY 2020 for grants, guaranteed loans, and combined grants and guaranteed loans to purchase and install renewable energy systems, and make energy efficiency improvements; and for grants to conduct energy audits and renewable energy development assistance.

The Notice announces the acceptance of applications under REAP for FY 2020 for grants, guaranteed loans, and combined grants and guaranteed loans for the development of renewable energy systems and energy efficiency projects as provided by the 2018 Farm Bill. The Notice also announces the acceptance of

applications under REAP for FY 2020 for energy audit and renewable energy development assistance grants as provided by the 2018 Farm Bill.

The administrative requirements in effect at the time the application window closes for a competition will be applicable to each type of funding available under REAP and are described in 7 CFR part 4280, subpart B. In addition to the other provisions of this Notice:

(1) The provisions specified in 7 CFR 4280.101 through 4280.111 apply to each funding type described in this Notice.

(2) The requirements specified in 7 CFR 4280.112 through 4280.124 apply to renewable energy system and energy efficiency improvements project grants.

(3) The requirements specified in 7 CFR 4280.125 through 4280.152 apply to guaranteed loans for renewable energy system and energy efficiency improvements projects. For FY 2020, the guarantee fee amount is one percent of the guaranteed portion of the loan, and the annual renewal fee is one-quarter of 1 percent (0.250 percent) of the guaranteed portion of the loan.

(4) The requirements specified in 7 CFR 4280.165 apply to a combined grant and guaranteed loan for renewable energy system and energy efficiency improvements projects.

(5) The requirements specified in 7 CFR 4280.186 through 4280.196 apply to energy audit and renewable energy development assistance grants.

II. Federal Award Information

A. *Statutory Authority.* This program is authorized under 7 U.S.C. 8107.

B. *Catalog of Federal Domestic Assistance (CFDA) Number.* 10.868.

C. *Funds Available.* This Notice is announcing deadline times and dates for applications to be submitted for REAP funds provided by the 2018 Farm Bill and any appropriated funds that REAP may receive from the congressional enactment of a full-year appropriation for FY 2020. This Notice is being published prior to the congressional enactment of a full-year appropriation for FY 2020. The Agency will continue to process applications received under this announcement and should REAP receive appropriated funds, these funds will be announced on the following Web site: <https://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency>, and are subject to the same provisions in this Notice.

To ensure that small projects have a fair opportunity to compete for the funding and are consistent with the priorities

set forth in the statute, the Agency will set-aside not less than 20 percent of the FY 2020 funds until June 29, 2020, to fund grants of \$20,000 or less.

(1) *Renewable energy system and energy efficiency improvements grant-funds.* There will be allocations of grant funds to each Rural Development State Office for renewable energy system and energy efficiency improvements applications. The State allocations will include an allocation for grants of \$20,000 or less funds and an allocation of grant funds that can be used to fund renewable energy system and energy efficiency improvements applications for either grants of \$20,000 or less or grants of more than \$20,000, as well as the grant portion of a combination grant and guaranteed loan. These funds are commonly referred to as unrestricted grant funds. The funds for grants of \$20,000 or less can only be used to fund grants requesting \$20,000 or less, which includes the grant portion of combination requests when applicable.

(2) *Renewable energy system and energy efficiency improvements loan guarantee funds.* Rural Development's National Office will maintain a reserve of guaranteed loan funds.

(3) *Renewable energy system and energy efficiency improvements combined grant and guaranteed loan funds.* Funding availability for combined grant and guaranteed loan applications

are outlined in paragraphs II.(C)(1) and II.(C)(2) of this Notice.

(4) *Energy audit and renewable energy development assistance grant funds.* The amount of funds available for energy audits and renewable energy development assistance in FY 2020 will be 4 percent of FY 2020 mandatory funds and will be maintained in a National Office reserve. Obligations of these funds will take place through March 30, 2020. Any unobligated balances will be moved to the renewable energy budget authority account and may be utilized in any of the renewable energy system and energy efficiency improvements national competitions.

D. *Approximate Number of Awards.* The estimated number of awards is 1,000 based on the historical average grant size and the anticipated mandatory funding of \$50 million for FY 2020, however will depend on the actual amount of funds made available and on the number of eligible applicants participating in this program.

E. *Type of Instrument.* Grant, guaranteed loan, and grant/guaranteed loan combinations.

III. Eligibility Information

The eligibility requirements for the applicant, borrower, lender, and project (as applicable) are clarified in 7 CFR part 4280 subpart B and are summarized in this Notice. Failure to

meet the eligibility criteria by the time of the competition window may result in the Agency reviewing an application, however will preclude the application from receiving funding until all eligibility criteria have been met.

A. *Eligible Applicants.* This solicitation is for applications from agricultural producers and rural small businesses for grants or guaranteed loans, or a combination grant and guaranteed loan, for the purpose of purchasing and installing renewable energy systems and energy efficiency improvements. This solicitation is also for applications for Energy Audit or a Renewable Development Assistance grants from units of State, Tribal, or local government; instrumentalities of a State, Tribal, or local government; institutions of higher education; rural electric cooperatives; public power entities; and councils, as defined in 16 U.S.C. 3451, which serve agricultural producers and rural small businesses. To be eligible for the grant portion of the program, an applicant must meet the requirements specified in 7 CFR 4280.110, and 7 CFR 4280.112, or 7 CFR 4280.186, as applicable.

B. *Eligible Lenders and Borrowers.* To be eligible for the guaranteed loan portion of the program, lenders and borrowers must meet the eligibility requirements in 7 CFR 4280.125 and 7 CFR 4280.127, as applicable.

C. *Eligible Projects.* To be eligible for this program, a project must meet the eligibility requirements specified in 7 CFR 4280.113, 7 CFR 4280.128, and 7 CFR 4280.187, as applicable.

D. *Cost Sharing or Matching.* The 2018 Farm Bill mandates the maximum percentages of funding that REAP can provide. Additional clarification is provided in paragraphs IV.E. (1) through (3) of this Notice.

(1) *Renewable energy system and energy efficiency improvements funding.* Requests for guaranteed loan and combined grant and guaranteed loan will not exceed 75 percent of total eligible project costs, with any Federal grant portion not to exceed 25 percent of total eligible project costs, whether the grant is part of a combination request or is a grant-only.

(2) *Energy audit and renewable energy development funds.* Requests for the energy audit and renewable energy development assistance grants, will indicate that the grantee that conducts energy audits must require that, as a condition of providing the energy audit, the agricultural producer or rural small business pay at least 25 percent of the cost of the energy audit. The Agency recommended practice for on farm energy audits, audits for agricultural producers, ranchers, and farmers is the American Society of Agricultural and Biological Engineers S612 Level II audit. This audit conforms to program standards used by the Natural Resource Conservation Service. As per 7 CFR

4280.110(a), an applicant who has received one or more grants under this program must have made satisfactory progress towards completion of any previously funded projects before being considered for subsequent funding. The Agency interprets satisfactory progress as at least 50 percent of previous awards expended by January 31, 2020. Those who cannot meet this requirement will be determined to be a "risk" pursuant to 2 CFR 200.205 and may be determined in-eligible for a subsequent grant or have special conditions imposed.

E. *Other.* Ineligible project costs can be found in 7 CFR 4280.114(d), 7 CFR 4280.129(f), and 7 CFR 4280.188(c), as applicable. The U.S. Department of Agriculture Departmental Regulations and Laws that contain other compliance requirements are referenced in paragraphs VI.B.(1) through (3), and IV.F of this Notice. Applicants who have been found to be in violation of applicable Federal statutes will be ineligible.

IV. Application and Submission Information

A. *Address to Request Application Package.* Application materials may be obtained by contacting one of Rural Development's Energy Coordinators, as identified via the following link:
https://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

In addition, for grant applications, applicants may obtain electronic grant applications for REAP from www.grants.gov.

B. *Content and Form of Application Submission.* Applicants seeking to participate in this program must submit applications in accordance with this Notice and 7 CFR part 4280, subpart B. Applicants must submit complete applications by the dates identified in Section IV.C., of this Notice, containing all parts necessary for the Agency to determine applicant and project eligibility, to score the application, and to conduct the technical evaluation, as applicable, in order to be considered.

(1) *Renewable energy system and energy efficiency improvements grant application.*

(a) Information for the required content of a grant application to be considered complete is found in 7 CFR part 4280, subpart B.

(i) Grant applications for renewable energy systems and energy efficiency improvements projects with total project costs of \$80,000 or less must provide information required by 7 CFR 4280.119.

(ii) Grant applications for renewable energy systems and energy efficiency improvements projects with total project costs of \$200,000 or less, but more than \$80,000, must provide information required by 7 CFR 4280.118.

(iii) Grant applications for renewable energy systems and energy efficiency improvements projects with total project costs of greater than \$200,000 must provide information required by 7 CFR 4280.117.

(iv) Grant applications for energy audits or renewable energy development assistance grant applications must provide information required by 7 CFR 4280.190.

(b) All grant applications must be submitted either as hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located, or electronically using the Government-wide www.grants.gov Web site.

(i) Applicants submitting a grant application as a hard copy must submit one original to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located. A list of USDA Rural Development Energy Coordinators is available via the following link:

https://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(ii) Applicants submitting a grant application to the Agency via the www.grants.gov Web site will find information about submitting an application electronically through the Web site, and may download a copy of the application package to complete it off line, upload and submit the completed

application, including all necessary assurances and certifications, via www.grants.gov. After electronically submitting an application through the Web site, the applicant will receive an automated acknowledgement from www.grants.gov that contains a www.grants.gov tracking number. USDA Rural Development strongly recommends that applicants do not wait until the application deadline date to begin the application process through www.grants.gov.

(c) After successful applicants are notified of the intent to make a Federal award, applicants must meet the requirements of 7 CFR 4280.122 (a) through (h) for the grant agreement to be executed.

(2) *Renewable energy system and energy efficiency improvements guaranteed loan application.*

(a) Information for the content required for a guaranteed loan application to be considered complete is found in 7 CFR 4280.137.

(b) All guaranteed loan applications must be submitted as a hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located. A list of USDA Rural Development Energy Coordinators is available via the following link:
https://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(c) After successful applicants are notified of the intent to make a Federal award, borrowers must meet the conditions prior to issuance of loan note guarantee as outlined in 7 CFR 4280.142.

(3) *Renewable energy system and energy efficiency improvements combined guaranteed loan and grant application.*

(a) Information for the content required for a combined guaranteed loan and grant application to be considered complete is found in 7 CFR 4280.165(c).

(b) All combined guaranteed loan and grant applications must be submitted as hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located. A list of USDA Rural Development Energy Coordinators is available via the following link: www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(c) After successful applicants are notified of the intent to make a Federal award, applicants must meet the requirements, including the requisite forms and certifications, specified in 7 CFR 4280.117, 4280.118, 4280.119, and 4280.137, as applicable, for the issuance of a grant agreement and loan note guarantee.

(4) *Energy audits or renewable development assistance grant applications.*

(a) Grant applications for energy audits or renewable energy development assistance must provide the information

required by 7 CFR 4280.190 to be considered a complete application.

(b) All energy audits or renewable development assistance grant applications must be submitted either as hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located, electronically using the Government-wide www.grants.gov Web site, or via an alternative electronic format with electronic signature followed up by providing original signatures to the appropriate Rural Development office. Instructions for submission of the application can be found at section IV.B. of this Notice.

(c) After successful applicants are notified of the intent to make a Federal award, applicants must meet the requirements of 7 CFR 4280.195 for the grant agreement to be executed.

5. *Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM)*. Unless exempt under 2 CFR 25.110, or who have an exception approved by the Federal awarding agency under 2 CFR 25.110 (d), grant applicants as are required to:

(a) Register in SAM prior to submitting a grant application; which can be obtained at no cost via a toll-free request line at (866) 705-5711 or online at <https://www.sam.gov/SAM/>. Registration of new entities in SAM

requires an original, signed notarized letter stating that you are the authorized Entity Administrator before your registration will be activated.

(b) Provide a valid DUNS number in its grant or loan application.

(c) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal grant award or a grant application under consideration by the Agency.

(d) If an applicant has not fully complied with the requirements of IV.C. (1) through (3) at the time the Agency is ready to make an award, the Agency may determine the applicant is not eligible to receive the award.

C. Submission Dates and Times. Grant applications, guaranteed loan-only applications, and combined grant and guaranteed loan applications for financial assistance provided by the 2018 Farm Bill for FY 2020, and for appropriated funds that REAP may receive from the appropriation for FY 2020, may be submitted at any time on an ongoing basis. When an application window closes, the next application window opens on the following day. This Notice establishes the deadline dates for the applications to be received in order to be considered for funding. If an application window falls on a Saturday, Sunday, or Federal holiday, the application package is due the next

business day. An application received after these dates will be considered with other applications received in the next application window. In order to be considered for funds under this Notice, complete applications must be received by the appropriate USDA Rural Development State Office or via www.grants.gov. The deadline for applications to be received to be considered for funding in FY 2020 are outlined in the following paragraphs and also summarized in a table at the end of this section:

(1) *Renewable energy system and energy efficiency improvements grant applications and combination grant and guaranteed loan applications.* As per RD Instruction 4280-B Application deadlines for FY 2020 grant funds are:

(a) For applicants requesting a grant only of \$20,000 or less or a combination grant and guaranteed loan where the grant request is \$20,000 or less, that wish to have their grant application compete for the "Grants of \$20,000 or less set aside," complete applications must be received no later than

(i) 4:30 p.m. local time on October 31, 2019, or

(ii) 4:30 p.m. local time on March 31, 2020.

(b) For applicants requesting a grant only of over \$20,000 (unrestricted) or a combination grant and guaranteed loan where the grant request is greater than \$20,000, complete applications

must be received no later than 4:30 p.m. local time on March 31, 2020.

(2) *Renewable energy system and energy efficiency improvements guaranteed loan-only applications.* Eligible applications will be reviewed and processed when received for periodic competitions.

(3) *Energy audits and renewable energy development assistance grant applications.* Applications must be received no later than 4:30 p.m. local time on January 31, 2020.

Application	Application Window Opening Dates	Application Window Closing Dates
Renewable Energy Systems and Energy Efficiency Improvements Grants (\$20,000 or less grant only request or a combination grant and guaranteed loan where the grant request is \$20,000 or less competing for up to approximately 50	April 2, 2019	October 31, 2019

percent of the set aside funds)		
Renewable Energy Systems and Energy Efficiency Improvements Grants (\$20,000 or less grant only request or a combination grant and guaranteed loan where the grant request is \$20,000 or less competing for the remaining set aside funds)	November 1, 2019	March 31, 2020*
Renewable Energy Systems and Energy Efficiency Improvements Grants (Unrestricted grants, including combination grant and guaranteed loan where the grant request is greater than \$20,000,)	April 2, 2019	March 31, 2020*
Renewable Energy Systems and Energy Efficiency	Continuous application	Continuous application

Improvements Guaranteed Loans	cycle.	cycle.
Energy Audit and Renewable Energy Development Assistance Grants	February 1, 2019	January 31, 2020
* Applications received after this date will be considered for the next funding cycle in the subsequent FY.		

D. *Intergovernmental Review.* REAP is not subject to Executive Order 12372, Intergovernmental Review of Federal Programs.

E. *Funding Restrictions.* The following funding limitations apply to applications submitted under this Notice.

(1) *Renewable energy system and energy efficiency improvements projects.*

(a) Applicants can be awarded only one renewable energy system grant and one energy efficiency improvement grant in FY 2020.

(b) For renewable energy system grants, the minimum grant is \$2,500 and the maximum is \$500,000. For energy efficiency improvements grants, the minimum grant is \$1,500 and the maximum grant is \$250,000.

(c) For renewable energy system and energy efficiency improvements loan guarantees, the minimum REAP guaranteed loan amount is \$5,000 and the maximum amount of a guaranteed loan to be provided to a borrower is \$25 million.

(d) Renewable energy system and energy efficiency improvements guaranteed loan and grant combination applications. Paragraphs IV.E.(1)(b) and (c) of this Notice contain the applicable maximum amounts and minimum amounts for grants and guaranteed loans. Requests for guaranteed loan and combined grant and guaranteed loan will not exceed 75 percent of eligible project costs, with any Federal grant portion not to exceed 25 percent of the eligible project costs, whether the grant is part of a combination request or is a grant-only.

(2) *Energy audit and renewable energy development assistance grants.*

(a) Applicants may submit only one energy audit grant application and one renewable energy development assistance grant application for FY 2020 funds.

(b) The maximum aggregate amount of energy audit and renewable energy development assistance grants awarded to any one recipient under this Notice cannot exceed \$100,000 for FY 2020.

(c) The 2018 Farm Bill mandates that the recipient of a grant that conducts an energy audit for an agricultural producer

or a rural small business must require the agricultural producer or rural small business to pay at least 25 percent of the cost of the energy audit, which shall be retained by the eligible entity for the cost of the audit.

(3) *Maximum grant assistance to an entity.* For the purposes of this Notice, the maximum amount of grant assistance to an entity will not exceed \$750,000 for FY 2020 based on the total amount of the renewable energy system, energy efficiency improvements, energy audit, and renewable energy development assistance grants awarded to an entity under REAP.

F. Other Submission Requirements.

(1) *Environmental information.* For the Agency to consider an application, the application must include all environmental review documents with supporting documentation in accordance with 7 CFR part 1970. Any required environmental review must be completed prior to obligation of funds or the approval of the application. Applicants are advised to contact the Agency to determine environmental requirements as soon as practicable to ensure adequate review time.

(2) *Felony conviction and tax delinquent status.* Corporate applicants submitting applications under this Notice must include Form AD 3030, "Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants." Corporate applicants who receive an award under this Notice will

be required to sign Form AD 3031, "Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants."

Both forms can be found online at

<http://www.ocio.usda.gov/document/ad3030> and

<http://www.ocio.usda.gov/document/ad3031>.

(3) *Original signatures.* USDA Rural Development may request that the applicant provide original signatures on forms submitted through www.grants.gov at a later date.

(4) *Transparency Act Reporting.* All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive compensation in accordance with 2 CFR part 170. If an applicant does not have an exception under 2 CFR 170.110(b), the applicant must then ensure that they have the necessary processes and systems in place to comply with the reporting requirements to receive funding.

(5) *Race, ethnicity, and gender.* The Agency is requesting that each applicant provide race, ethnicity, and gender information about the applicant. The information will allow the Agency to evaluate its outreach efforts to under-served and under-represented populations. Applicants are encouraged to furnish this information with their applications but are not required to do so. An applicant's eligibility or the likelihood of receiving an award will not be impacted by furnishing or not furnishing this information. However, failure to furnish this

information may preclude the awarding of State Director and Administrator points in Section V.E.(3) of this Notice.

(6) *Transfer of obligations.* REAP grant obligations will be serviced in accordance with 7 CFR 4280.123 and 7 CFR 4280.196 as applicable. Transfer of obligations will no longer be considered by the Agency.

V. Application Review Information

A. *Criteria.* In accordance with 7 CFR part 4280 subpart B, the application dates published in Section IV.C. of this Notice identify the times and dates by which complete applications must be received to compete for the funds available.

(1) *Renewable energy systems and energy efficiency improvements grant applications.* Complete renewable energy systems and energy efficiency improvements grant applications are eligible to compete in competitions as described in 7 CFR 4280.121.

(a) Complete renewable energy systems and energy efficiency improvements grant applications requesting \$20,000 or less are eligible to compete in up to five competitions within the FY as described in 7 CFR 4280.121

(b) If the application remains unfunded after the final National Office competition for the FY it must be withdrawn.

Pursuant to the publication of this announcement, all complete and eligible applications will be limited to competing in the FY that the application was received, versus rolling into the following FY, which may result in less than five total competitions. This was effective for any application submitted on or after April 1, 2017.

(b) Complete renewable energy systems and energy efficiency improvements grant applications, regardless of the amount of funding requested, are eligible to compete in two competitions a FY - a State competition and a national competition as described in 7 CFR 4280.121(a).

(2) *Renewable energy systems and energy efficiency improvements guaranteed loan applications.* Complete guaranteed loan applications are eligible for periodic competitions as described in 7 CFR 4280.139(a).

(3) *Renewable energy systems and energy efficiency improvements combined guaranteed loan and grant applications.* Complete combined guaranteed loan and grant applications with requests of \$20,000 or less are eligible to compete in up to five competitions within the FY as described in 7 CFR 4280.121(b). Combination applications where the grant request is greater than \$20,000, are eligible to compete in two competitions a FY - a State competition and a national competition as described in 7 CFR 4280.121(a).

(4) *Energy audit and renewable energy development assistance grant applications.* Complete energy audit and renewable energy development assistance grants applications are eligible to compete in one national competition per FY as described in 7 CFR 4280.193.

B. *Review and Selection Process.* All complete applications will be scored in accordance with 7 CFR part 4280 subpart B and this section of the Notice. Specifically, sections C and D below outline revisions to the scoring criteria found in 7 CFR 4280.120.

(1) *Renewable energy systems and energy efficiency improvements grant applications.* Renewable energy system and energy efficiency grant applications will be scored in accordance with 7 CFR 4280.120 and selections will be made in accordance with 7 CFR 4280.121. For grant applications requesting greater than \$250,000 for renewable energy systems, and/or greater than \$125,000 for energy efficiency improvements a maximum score of 90 points is possible. For grant applications requesting \$250,000 or less for renewable energy systems and/or \$125,000 or less for energy efficiency improvements, an additional 10 points may be awarded such that a maximum score of 100 points is possible. Due to the competitive nature of this program, applications are competed based on submittal date. The submittal date is the date the Agency

receives a complete application. The complete application date is the date the Agency receives the last piece of information that allows the Agency to determine eligibility and to score, rank, and compete the application for funding.

(a) Funds for renewable energy system and energy efficiency improvements grants of \$20,000 or less will be allocated to the States. Eligible applications must be submitted by March 31, 2020, in order to be considered for these set-aside funds. Approximately 50 percent of these funds will be made available for those complete applications the Agency receives by October 31, 2019, and approximately 50 percent of the funds for those complete applications the Agency receives by March 31, 2020. All unused State allocated funds for grants of \$20,000 or less will be pooled to the National Office.

(b) Eligible applications received by March 31, 2020, for renewable energy system and energy efficiency improvements grants of \$20,000 or less, that are not funded by State allocations can be submitted to the National Office to compete against grant applications of \$20,000 or less from other States at a national competition. Obligations of these funds will take place prior to June 29, 2020.

(c) Eligible applications for renewable energy system and energy efficiency improvements, regardless of the amount of the funding request, received by March 31, 2020, can compete for

unrestricted grant funds. Unrestricted grant funds will be allocated to the States. All unused State allocated unrestricted grant funds will be pooled to the National Office.

(d) National unrestricted grant funds for all eligible renewable energy system and energy efficiency improvements grant applications received by March 31, 2020, which include grants of \$20,000 or less, that are not funded by State allocations can be submitted to the National Office to compete against grant applications from other States at a final national competition.

(2) *Renewable energy systems and energy efficiency improvements guaranteed loan applications.* Renewable energy systems and energy efficiency improvements guaranteed loan applications will be scored in accordance with 7 CFR 4280.135 and selections will be made in accordance with 7 CFR 4280.139. The National Office will maintain a reserve for renewable energy system and energy efficiency improvements guaranteed loan funds. Applications will be reviewed and processed when received. Those applications that meet the Agency's underwriting requirements, are credit worthy, and score a minimum of 40 points will compete in national competitions for guaranteed loan funds periodically. All unfunded eligible guaranteed loan-only applications received that do not score at least 40 points will be competed against other guaranteed loan-only applications from other States at a final national competition, if the guaranteed

loan reserves have not been completely depleted, on September 2, 2020. If funds remain after the final guaranteed loan-only national competition, the Agency may elect to utilize budget authority to fund additional grant-only applications.

(3) *Renewable energy systems and energy efficiency improvements combined grant and guaranteed loan applications.*

Renewable energy systems and energy efficiency improvements combined grant and guaranteed loan applications will be scored in accordance with 7 CFR 4280.120 and selections will be made in accordance with 7 CFR 4280.121. For combined grant and guaranteed loan applications requesting grant funds of \$250,000 or less for renewable energy systems, or \$125,000 or less for energy efficiency improvements, a maximum score of 100 points is possible. For combined grant and guaranteed loan applications requesting grant funds of more than \$250,000 for renewable energy systems, or more than \$125,000 for energy efficiency improvements, a maximum score of 90 points is possible.

Renewable energy system and energy efficiency improvements combined grant and guaranteed loan applications will compete with grant-only applications for grant funds allocated to their State. If the application is ranked high enough to receive State allocated grant funds, the State will request funding for the guaranteed loan portion of any combined grant and guaranteed loan applications from the National Office guaranteed loan

reserve, and no further competition will be required. All unfunded eligible applications for combined grant and guaranteed loan applications that are received by March 31, 2020, and that are not funded by State allocations can be submitted to the National Office to compete against other grant and combined grant and guaranteed loan applications from other States at a final national competition.

(4) *Energy audit and renewable energy development assistance grant applications.* Energy audit and renewable energy development assistance grants will be scored in accordance with 7 CFR 4280.192 and selections will be made in accordance with 7 CFR 4280.193. Energy audit and renewable energy development assistance grant funds will be maintained in a reserve at the National Office. Applications received by January 31, 2020, will compete for funding at a national competition, based on the scoring criteria established under 7 CFR 4280.192. If funds remain after the energy audit and renewable energy development assistance national competition, the Agency may elect to transfer budget authority to fund additional renewable energy system and energy efficiency improvements grants from the National Office reserve after pooling.

C. Size of Agricultural Producer or Rural Small Business.
In alignment with the Report to the President of the United

States from the Task Force on Agriculture and Rural Prosperity, the criterion noted in 7 CFR 4280.120 (d) which allows for a maximum of 10 points to be awarded based on the size of the Applicant's agricultural operation or business concern, as applicable, compared to the SBA Small Business size standards categorized by NAICS found in 13 CFR 121.201, is being removed for applications for renewable energy systems or energy efficiency improvements effective as of the date of this publication.

D. *State Director and Administrator Points.* The criterion noted in 7 CFR 4280.120(g) allows for the State Director and the Administrator to take into consideration paragraphs V.D.(1) through (5) below in the awarding of up to 10 points for eligible renewable energy systems and energy efficiency improvement grant applications submitted in FY 2020:

(1) May allow for applications for an under-represented technology to receive additional points.

(2) May allow for applications that help achieve geographic diversity to receive additional points. This may include priority points for smaller grant requests which enhances geographic diversity.

(3) May allow for applicants who are members of unserved or under-served populations to receive additional points if one of the following criteria are met:

(a) Owned by a veteran, including but not limited to individuals as sole proprietors, members, partners, stockholders, etc., of not less than 20 percent. In order to receive points, applicants must provide a statement in their applications to indicate that owners of the project have veteran status; or

(b) Owned by a member of a socially-disadvantaged group, which are groups whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. In order to receive points, the application must include a statement to indicate that the owners of the project are members of a socially-disadvantaged group.

(4) May allow for applications that further a Presidential initiative, or a Secretary of Agriculture priority, including Federally declared disaster areas, to receive additional points.

(5) The proposed project is located in an impoverished area, has experienced long-term population decline or loss of employment.

E. Other Submission Requirements. Grant-only applications, guaranteed loan-only applications, and combined grant and guaranteed loan applications for financial assistance may be submitted at any time. In order to be considered for funds, complete applications must be received by the appropriate

USDA Rural Development State Office in which the applicant's proposed project is located, or via the www.grants.gov Web site as identified in Section IV.C., of this Notice.

(1) *Insufficient funds.* If funds are not sufficient to fund the total amount of an application:

(a) For State allocated funds:

(i) The applicant must be notified that they may accept the remaining funds or submit the total request for National Office reserve funds available after pooling. If the applicant agrees to lower its grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(ii) If two or more grant or combination applications have the same score and remaining funds in the State allocation are insufficient to fully award them, the Agency will notify the applicants that they may either accept the proportional amount of funds or submit their total request for National Office reserve funds available after pooling. If the applicant agrees to lower its grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(b) The applicant notification for national funds will depend on the competition as follows:

(i) For an application requesting a grant of \$20,000 or less or a combination application where the grant amount is \$20,000 or less from set-aside pooled funds, the applicant must be notified that they may accept the remaining funds, or submit the total request to compete in the unrestricted state competition. If the applicant agrees to lower the grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project. A declined partial award counts as a competition.

(ii) For an application requesting a grant of \$20,000 or less or a combination application where the grant amount is \$20,000 or less from unrestricted pooled funds, in which this is the final competition or for those applications requesting grants of over \$20,000 and combined grant and guaranteed loan application, the applicant must be notified that they may accept the remaining funds or their grant application will be withdrawn. If the applicant agrees to lower the grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(iii) If two or more grant or combination applications have the same score and remaining funds are insufficient to fully award them, the Agency will notify the applicants that they may either accept the proportional amount of funds or be

notified in accordance with V.D. (1) (b) (i) or (ii), as applicable.

(iv) At its discretion, the Agency may instead allow the remaining funds to be carried over to the next FY rather than selecting a lower scoring application(s) or distributing funds on a pro-rata basis.

(2) *Award considerations.* All award considerations will be on a discretionary basis. In determining the amount of a renewable energy system or energy efficiency improvements grant or loan guarantee, the Agency will consider the six criteria specified in 7 CFR 4280.114(e) or 7 CFR 4280.129(g), as applicable.

(3) *Notification of funding determination.* As per 7 CFR 4280.111(c) all applicants will be informed in writing by the Agency as to the funding determination of the application.

VI. Federal Award Administration Information

A. *Federal Award Notices.* The Agency will award and administer renewable energy system and energy efficiency improvements grants, guaranteed loans in accordance with 7 CFR 4280.122, and 7 CFR 4280.139, as applicable. The Agency will award and administer the energy audit and renewable energy development assistance grants in accordance with 7 CFR 4280.195.

Notification requirements of 7 CFR 4280.111 apply to this Notice.

B. *Administrative and National Policy Requirements.*

(1) *Equal Opportunity and Nondiscrimination.* The Agency will ensure that equal opportunity and nondiscrimination requirements are met in accordance with the Equal Credit Opportunity Act, 15 U.S.C. 1691 et seq. and 7 CFR part 15d, Nondiscrimination in Programs and Activities Conducted by the U.S. Department of Agriculture. The Agency will not discriminate against applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided that the applicant has the capacity to contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act, 15 U.S.C. 1601 et seq.

(2) *Civil Rights Compliance.* Recipients of grants must comply with the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et seq., Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d et seq., and Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794. This may include collection and maintenance of data on the race, sex, and national origin of the recipient's membership/ownership and employees. These data must

be available to conduct compliance reviews in accordance with 7 CFR 1901.204.

(3) *Environmental Analysis.* Environmental procedures and requirements for this subpart are specified in 7 CFR part 1970. Prospective applicants are advised to contact the Agency to determine environmental requirements as soon as practicable after they decide to pursue any form of financial assistance directly or indirectly available through the Agency.

(4) *Appeals.* A person may seek a review of an Agency decision or appeal to the National Appeals Division in accordance with 7 CFR 4280.105.

(5) *Reporting.* Grants, guaranteed loans, combination guaranteed loans and grants, and energy audit and energy audit and renewable energy development assistance grants that are awarded are required to fulfill the reporting requirements as specified in Departmental Regulations, the Grant Agreement, and in 7 CFR part 4280 subpart B and paragraphs VI.B.(5)(a) through (d) of this Notice.

(a) Renewable energy system and energy efficiency improvements grants that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.123.

(b) Guaranteed loan applications that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.143.

(c) Combined guaranteed loan and grant applications that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.165(f).

(d) Energy audit and renewable energy development assistance grants grant applications that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.196.

VII. Federal Awarding Agency Contacts

For further information contact the applicable USDA Rural Development Energy Coordinator for your respective State, as identified via the following link:

http://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

For information about this Notice, please contact Venus Welch-White, National Rural Energy Coordinator, USDA Rural Development, Energy Division, 1400 Independence Avenue SW., Stop 3225, Room 6901, Washington, DC, 20250. Telephone: (202) 720-0400. E-mail: venus.welchwhite@usda.gov.

VIII. Other Information

A. Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, the information collection requirements associated with renewable energy system and energy efficiency improvements grants and

guaranteed loans, as covered in this Notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0067. The information collection requirements associated with energy audit and renewable energy development assistance grants have also been approved by OMB under OMB Control Number 0570-0067.

B. Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600

(voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW,
Washington, D.C. 20250-9410;

(2) Fax: (202) 690-7442; or

(3) Email: program.intake@usda.gov.

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